

News Release



Controller of the State of California - Kathleen Connell

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FOR IMMEDIATE RELEASE

STATE CONTROLLER DISTRIBUTES \$75 MILLION RELIEF PAYMENT TO CITIES AND COUNTIES

Payment Reflects First Installment of \$150 Million Legislative Apportionment

SACRAMENTO, September 16, 1999 -- State Controller Kathleen Connell, today authorized the release of a \$75 million apportionment to California's cities and counties. The payment was made in accordance with the Budget Act of 1999, which appropriated \$150 million in local relief to partially offset local property taxes allocated to the State to fund education for K-12 schools and community colleges.

The initial \$75 million installment is apportioned to cities and counties based on their proportionate share of the State's population. The remaining \$75 million payment will be released to counties by February 1, 2000, allocated on the basis of contributions to the Educational Revenue Augmentation Fund (ERAF). The counties will then reallocate to their local governmental entities.

"This legislative payment represents the State's effort to reduce the double burden local governments have been enduring for decades -- paying for increased public services, while receiving a constant reduction of state funding," said Connell.

Last month, the Controller released a plan calling for a restructuring of state and local finances that could generate as much as \$4.5 billion in revenue for local governments over a 10-year period without raising taxes. A detailed schedule of payments to counties and cities is available on the Internet at the State Controller's home page at www.sco.ca.gov under Apportionments to Local Governments, [ERAF Apportionment](#), or call (916) 324-0812.